

**MINUTES OF THE EMERALD COAST UTILITIES AUTHORITY BOARD MEETING
HELD THURSDAY, AUGUST 24, 2017 AT 2:00 P.M. IN THE ECUA BOARD ROOM
AT 9255 STURDEVANT STREET, ELLYSON INDUSTRIAL PARK, PENSACOLA, FL**

Members present: Lois Benson, Chairman
Dale Perkins, Vice Chairman
Vicki Campbell
Elvin McCorvey
Larry Walker

Counsel present: Bradley S. Odom

Staff present: Steve Sorrell, Executive Director
Nathalie Bowers, Public Information Officer
John Daane, Director of Information Technology
Tim Haag, Director of Government Affairs
Linda Iversen, Executive Assistant to the Board
Bill Johnson, Director of Engineering
Don Palmer, Deputy Executive Director-Engineering
and Environmental Services
Doug Patterson, Risk Manager
Jim Roberts, Public Information Officer
Kim Scruggs, Assistant Director of Human Resources and
Administrative Services
Patty Sheldon, Director of Finance
Justin Smith, Assistant Director of Finance
Cindy Sutherland, Director of Human Resources and
Administrative Services

ITEM 1 – INVOCATION AND PLEDGE OF ALLEGIANCE

Prior to calling the regular meeting of the Board to order, Chairman Benson attempted to provide the invocation and lead the Pledge of Allegiance. However, an individual from the audience disrupted the process by chanting and speaking loudly to drown out the Chairman's, and others, voices. Following the removal of the disruptive individual, Chairman Benson provided the invocation and led the Pledge of Allegiance

ITEM 2 – CALL TO ORDER

Chairman Benson called the regular meeting of the Emerald Coast Utilities Authority Board to order at approximately 2:07 p.m.

ITEM 3 – ADOPTION OF AGENDA

Ms. Campbell added "2018 budget workshop" under New Business.

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Dr. Walker added the replacement of contractor on West Nine Mile Road project under New Business.

A motion was made by Dr. Walker, seconded by Mr. McCorvey, to approve the agenda as presented and amended. Motion carried 5-0.

ITEM 4 - PUBLIC HEARINGS:

- (a) 2:00 p.m. – Proposed establishment of a Capital Improvement Fee for new and ongoing water and/or wastewater capital improvement projects and expenses related thereto.

Chairman Benson convened the public hearing at approximately 2:09 p.m. The following individuals addressed the Board speaking against the proposed Capital Improvement Fee. The public hearing was closed at approximately 2:20 p.m.

Mr. Mike Horgan
3480 Marjean Drive
Pensacola, FL 32504

Mr. Barry Tweedie
10395 Old Dairy Lane
Pensacola, FL 32534

Mr. Jeremy Bosso
11 Boland Place
Pensacola, FL 32505

- (b) Adoption of Resolution 17-06

A motion was made by Dr. Walker, seconded by Mr. McCorvey, to adopt Resolution 17-06 - A FINAL RATE SETTING RESOLUTION ESTABLISHING A CAPITAL IMPROVEMENT FEE AND PROVIDING AN EFFECTIVE DATE. Motion carried 3-2 with Ms. Benson and Mr. Perkins voting against the motion.

ITEM 5 - OPEN FORUM

(1) Dr. Gloria Horning. 310 South DeVilliers Street, Pensacola, FL, addressed the Board concerning the flooding in her neighborhood and odors caused from raw sewage, which bubbles up from the manholes when the area floods. Dr. Horning requested that she be provided with (1) "the last 20 years of all raw sewage that was reported to the EPA, DEP and the Escambia County"; (2) that her "soil be tested for raw bacteria"; and, (3) "the installation of H2S monitors on all four corners of the former tank site" or "individual monitors for individuals in the community that live on those four corners".

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ITEM 6 – PRESENTATIONS:

- (a) **Presentation of the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association**

Mr. Sorrell presented the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association to Ms. Patty Sheldon, Director of Finance, and Mr. Justin Smith, Assistant Director of Finance. Ms. Sheldon recognized the efforts of all the employees of the Finance Department that made this award possible.

- (b) **Presentation of The National Association of Clean Water Agencies Silver Awards for 2016 for:**

Mr. Sorrell recognized Mr. Don Palmer, Deputy Executive Director-Engineering and Environmental Services. Mr. Palmer presented the Silver Awards for 2016 from The National Association of Clean Water Agencies for the following facilities to Mr. Randy Sears, Water Reclamation Operations Manager, who recognized the following employees and presented the awards to those individuals. Mr. Sears expressed his appreciation for the efforts of the other 56 members of his team not in attendance, as well as the efforts of members of the Instrument/Electrical Division and the Maintenance Department, stating the combined efforts of all made the awards possible.

- (1) Bayou Marcus Water Reclamation Facility – Sony Bonds and Mike Cromer
- (2) Central Water Reclamation Facility – Kijafa Lee and Ray Yarborough
- (3) Pensacola Beach Wastewater Treatment Plant – Steve Routt

Mr. Sorrell introduced a new ECUA Engineer, Ms. Wendy Prather.

ITEM 7 - APPROVAL OF MINUTES:

A motion was made by Ms. Campbell, seconded by Mr. McCorvey, to approve the minutes of the regular Board meeting of July 27, 2017 as presented. Motion carried 5-0.

ITEM 8 - REPORT OF THE ECUA CITIZENS' ADVISORY COMMITTEE 07/19/17

A motion was made by Dr. Walker, seconded by Mr. McCorvey, to approve the following recommendations for Items F. through N. Motion carried 5-0.

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F. Extension of Contract – Supplemental Carbon

Extend the contract for Vita Micro CS Custom 75 from Momar, Inc., Atlanta, GA, in the amount of \$2.12 per gallon for the first year of the three one-year options to extend, with pricing as agreed to by the supplier and with the approval of the ECUA Board, and authorize payment from the appropriate line item from the operating budget.

G. Extension of Contract – Orthophosphate

Approve the optional extension of the contract with Carus Corporation, Peru, IL, for the supply of orthophosphate (this is the second of the two one-year options) to extend at the terms and rates contained in the existing contract, with funding from the appropriate budget line item.

H. Extension of Contract – Liquid Chlorine

Approve the first of two optional one-year contract extensions with Water & Waste Specialties, LLC, of Theodore, Alabama, for the supply of liquid chlorine at the terms and rates contained in the current contract, with funding from the appropriate budget line item.

I. Extension of Contract – Granular Activated Carbon (Filtrisorb 400)

Approve the first of two optional one-year extensions of the contract with Calgon for the supply of Filtrisorb 400 GAC at the terms and rates of the existing contract, with funding from the appropriate budget line item.

J. Extension of Contract – Granular Activated Carbon (Filtrisorb 300)

Approve the first of two optional one-year extensions of the contract with Jacobi, for the supply of Filtrisorb 300 GAC or equal, and Centaur 12 x 40 GAC or equal, at the terms and rates of the existing contract, with funding from the appropriate budget line item.

K. Waiver of Bidding – Liquid Polymer

Waive the bidding process based on the prior trials and price quotes, and extend a contract for one year to Polydyne, Inc., Riceboro, GA, at the price of \$0.93 per pound for bulk deliveries and \$0.95 per pound for tote delivery, with funding from the appropriate budget line item.

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L. Purchase of new tires – ECUA fleet

Authorize staff to issue a purchase order(s) to State of Florida and Florida Sheriff Association-approved local vendor(s) at the current State and Florida Sheriff Association Contract pricing, through September 30, 2018, with estimated annual funding of \$350,000 from the appropriate line item of the Sanitation Operating Budget.

M. Agent/Broker for Commercial Insurance and Bonds

Approve the proposed Agent/Broker for commercial insurances and bonds package for fiscal years 2018 and 2019 described in the first Option with the following components.

(1) Authorize the Executive Director to negotiate and execute contracts with FMIT/FLC for property and auto insurances;

(2) Authorize the Executive Director to negotiate and execute contracts with PRIA for Privacy & Network Liability, Commercial Crime, Road Restoration bond, and Flood insurances; and

(3) Approve funding through the appropriate budget line item.

N. Workers' Compensation Insurance renewal for fiscal year 2018

(1) Exempt the bidding requirements for this procurement of workers' compensation insurance in light of the Florida Office of Insurance Regulation's 14.5% statewide mandatory average rate increase, and (2) approve the renewal of ECUA's workers' compensation policy with FMIT/FLC with a projected 6.6% increase in premium.

ITEM 9 - OPERATIONAL ITEMS:

(a) Approval of fiscal year 2018 Water and Wastewater budget

A motion was made by Dr. Walker, seconded by Mr. McCorvey, to approve the fiscal year 2018 Water and Wastewater budget as presented under Scenario 3 with either a 5% or 3% rate increase along with the Capital Improvement Fee (CIF). Motion carried 4-1 with Mr. Perkins voting against the motion.

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(b) Adoption of Resolution 17-07

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to adopt Resolution 17-07 - A PRELIMINARY RATE SETTING RESOLUTION PROVIDING FOR NOTICE AND PUBLIC HEARING CONCERNING THE PROPOSED ESTABLISHMENT OF REVISED WATER AND WASTEWATER RATES AND CHARGES, with a 3% rate increase. Motion carried 3-2 with Ms. Campbell and Mr. Perkins voting against the motion.

An amendment to the motion was made by Dr. Walker for a 3.5% rate increase. *Motion died for lack of a second.*

(c) Adoption of Resolution 17-08

A motion was made by Mr. Perkins, seconded by Ms. Campbell, to adopt Resolution 17-08 - A PRELIMINARY RATE SETTING RESOLUTION PROVIDING FOR NOTICE AND PUBLIC HEARING CONCERNING THE PROPOSED ESTABLISHMENT OF REVISED SANITATION SERVICE CHARGES. Motion carried 5-0.

(d) Adoption of Resolution 17-09

A motion was made by Ms. Campbell, seconded by Mr. Perkins, to adopt Resolution 17-10 - A PRELIMINARY RATE SETTING RESOLUTION PROVIDING FOR NOTICE AND PUBLIC HEARING CONCERNING THE PROPOSED ESTABLISHMENT OF A NEW CHARGE FOR INDIVIDUAL BAGS OF FINISHED COMPOST PRODUCT. Motion carried 5-0.

(e) Adoption of Resolution 17-10

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to adopt Resolution 17-10 - A RESOLUTION OF THE EMERALD COAST UTILITIES AUTHORITY FINDING THAT IT IS NECESSARY AND APPROPRIATE FOR IT TO PROVIDE, OPERATE, AND MAINTAIN A SOLID WASTE AND RECYCLABLES COLLECTION AND DISTRIBUTION SYSTEM IN THE TOWN OF JAY, FLORIDA; PROVIDING AN EFFECTIVE DATE. Motion carried 5-0.

(f) Rate increase for Otto Container maintenance

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to approve Otto's request for a rate increase of \$0.01 per container per month for 2017 for the container management contract, with funding from the appropriate budget line item. Motion carried 5-0.

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Dr. Walker requested a summary report on the Cans – how many are picked up for repairs, how many were prepared, etc.

(g) Biosolids composting/canopy – covers for screening operations

A motion was made by Mr. McCorvey, seconded by Ms. Campbell, to (a) approve the waiver of the normal bidding procedures and authorize the use of the National Joint Powers Alliance (NJPA) purchasing contract for the procurement and installation of two covers at the Compost Processing Facility; (b) authorize the Executive Director to issue a purchase order to ClearSpan Fabric Structures, South Windsor, CT, in the total amount of \$108,489.80 for two structures for use in the screening area of the CWRf Biosolids Composting Facility; and (c) authorize funding of \$26,000 from CIP Project CS425 along with the transfer of funds in the amount of \$90,000 from CIP Project CS425A – Compost Canopies to CIP Project CS425 - CWRf Biosolids Composting. Motion carried 5-0.

ITEM 10 - INFORMATIONAL REPORTS

None.

ITEM 11 - EXECUTIVE DIRECTOR'S REPORT:

Mr. Sorrell reported on the status of the Triumph Gulf Coast project funding, stating that staff has compiled a list of projects that will be brought to the Board for selection of five projects to submit for possible funding.

Mr. Sorrell also reported that the compost material distribution is finally caught up and backed up orders have been filled. Further, bagging operations will start in about two weeks at the Ellyson location.

Mr. Sorrell reported that the MRF composition study has been completed and the contamination of recyclables is higher than originally thought. Therefore, staff is in the process of determining where the contamination is coming from and taking appropriate actions.

Mr. Sorrell stated that ECUA will be receiving another award in September from the SWANA organization – a silver award for the materials recycling facility.

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ITEM 12 - ATTORNEY'S REPORT

Mr. Odom reported that the County has updated the maps utilized for well head protection and the issue of a development possibly impacting an ECUA well has been worked out.

Further, regarding the issue with the Creekwood Subdivision, a meeting was conducted and a format has been agreed upon and the issue will be coming to the Board in the next couple of months.

ITEM 13 - UNFINISHED BUSINESS

(a) **Replacement of contractor-Nine Mile Road project (Walker)**

Dr. Walker asked for an update on the situation regarding the replacement of a contractor on the Nine Mile Road project. Mr. Odom responded that the contractor was declared to be in default by staff; the bond was called and the Surety was asked by staff to complete the project. The Surety said they would complete the project in the terms of the bond and they in turn rehired the same contractor and the contractor is again working on the project. The Surety has also brought in a contract management team to oversee the contractor and it is hoped the contractor will be able to successfully complete the project.

ITEM 14 - NEW BUSINESS

(a) **2018 Budget (Campbell)**

Ms. Campbell stated she feels it would be good to go through a budget workshop for the next budget review process with the Citizens' Advisory Committee and the Board as has been requested and that staff keep that in mind.

ITEM 15 - BOARD COMMUNICATIONS

Chairman Benson expressed her concerns regarding the Capital Improvement Fee and the ECUA bills should be as simple as can be so as to not be confusing when the customer sees a change. Further, anytime something like this is approved, it should be fair and equitable.

Chairman Benson stated that the disruption that occurred at the beginning of the meeting was unpleasant for everyone and perhaps there is a better way to handle the issue and invited the member's comments.

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Mr. Perkins stated that perhaps the Board needs to meet in private session with the attorney to determine what the options are.

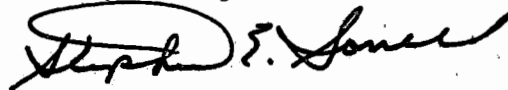
Mr. Odom stated that he did not feel a private session is necessary; however, he would be willing to meet individually with each Board member should they so desire and then discuss the options in a Board meeting. Further, the legal issue is no one can come in and be disruptive and cause a scene to prevent the work of the Board that needs to be done, and the individual was trying to be disruptive as possible. That is the issue.

Mr. Perkins stated that regarding the situation of Dr. Horning, ECUA should do whatever is possible to relieve the problems. Chairman Benson stated that the proper venue for Dr. Horning would be to meeting with staff in an effort to resolve the issues.

ITEM 16 – ADJOURNMENT

There being no further business to come before the regular meeting of the Emerald Coast Utilities Authority Board, Chairman Benson declared the meeting adjourned at approximately 3:26 p.m.

Respectfully submitted,



Stephen E. Sorrell
Executive Director and
Secretary

**APPROVED BY THE ECUA BOARD
IN REGULAR SESSION ON 09/28/17.**

- (X) Without corrections/amendments.
() With corrections/amendments being: